

Friends of the Foundation

The best friends of the Foundation are the hospices who direct to the Foundation all donations that come from grateful friends and family members of patients who received excellent hospice care. (See below for a list of these hospices.) To express our gratitude, we will continue to do our utmost to serve the communities in which these hospice donors reside. A rewarding and enduring relationship has been formed over the years with Outback Steakhouse, Glendale, Arizona, which co-sponsors an annual golf tournament with Hospice of Arizona. In 2003, nearly \$50,000 was raised at this tournament to underwrite the Foundation's **Grief at School** program conducted in the Phoenix metropolitan area. Thanks to this annual event, as well as donations made to Hospice of Arizona, we have conducted workshops in about 75 percent of the school districts in the Phoenix metropolitan area.

Hospices

Frontier Hospice
Hospice of Arizona
Hospice of Central Virginia
Hospice of Illinois
Hospice of New Jersey
Hospice of New York
Seasons Hospice, Illinois
Seasons Hospice, Wisconsin

Foundations and Corporations

Albert L. and Elizabeth T. Tucker Foundation
American Hospice Management
ConferenceCall.com
Nason Family Foundation
Outback Steakhouse
Virginia State Police
Wachovia Bank, Richmond, VA

Financial Report

The year 2003 was a bad year for fundraising by non-profits throughout the country, and especially within the end-of-life field. Reflecting a volatile economy, grants and corporate donations have all but disappeared. Large foundations that have been the mainstay for end-of-life non-profits have now directed their resources to other arenas. Widely reported difficulties within United Way had a negative effect on all charitable giving, as well.

These trends contributed to a difficult year for the Foundation with respect to fundraising. For the first time in its history, the Foundation sustained a deficit that was subsidized by the ample reserves accumulated in the past. Although corporate and grant support was disappointing, the Foundation met its annual income goals in the other revenue categories: individual donations (78%); sales and rent (11%); and events (7%). Administrative and fundraising costs were held to 16 percent of expenses, and 18 percent of revenues — well below the commonly acceptable threshold of 25 percent.

In response to the decline in corporate and foundation support, we initiated new fund-raising strategies. To expand the Foundation's donor base, the Foundation joined state and local workplace campaigns administered by America's Charities. We also intensified our joint efforts with pharmaceutical companies with the goal of funding the mass distribution of our current courses and the development of new ones.

To increase on-line donations, we enrolled with Charity Navigator, (www.charitynavigator.org), which evaluates the financial health of charities to assure donors that their dollars are wisely spent. The Foundation earned Charity Navigator's highest rating (four stars) for effective stewardship of charitable resources, particularly with respect to its low administrative and fundraising expenses.

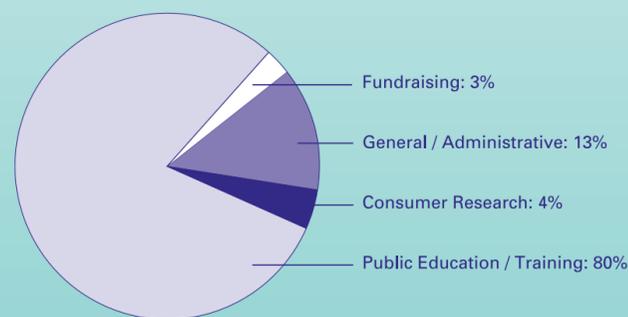
2003 Financial Statement

Revenues



Total : \$666,054

Expenses



Total : \$730,971

A complete, audited financial statement is available upon request.



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new horizons

The 2003 Annual Report of the American Hospice Foundation

Message from the President



Naomi Naierman

The mission of the Foundation is to improve access to quality hospice care through public education, professional training and consumer advocacy. Its vision is that hospice will be an integral part of our society, culture and belief systems.

The one dependable thing in our nation's healthcare is *change*. Whether you agree with the changes or not,

the American Hospice Foundation has the opportunity and the obligation to meet the challenges of change and build the case for hospice care. Recent Medicare legislation instituted new incentives for managed care organizations (MCOs) to return to the Medicare market. To care for very sick Medicare beneficiaries, case managers in MCOs must be trained to coordinate appropriate end-of-life care and to refer to hospice care on a timely basis. Anticipating this need for training, the Foundation is poised to disseminate a self-study hospice course, especially designed for case managers.

Another recent change requires that chronically ill Medicare beneficiaries will be subject to "disease management," a strategy to coordinate all services and provide greater efficiencies for both sides of the equation: the patient and the MCO. End-of-life guidelines are to be part of these disease management protocols. Since

most of these protocols do not include end-of-life guidelines, the Foundation sponsored the development of template guidelines that can be readily adapted to any life-threatening disease.

Yet another change under Medicare will reduce payments to oncologists for chemotherapy. Many oncologists view this as a financial disincentive and are expected to forgo aggressive treatment, when palliative care may be more appropriate. This change provides a new window of opportunity to inform oncology patients about the role of hospice in end-of-life care. In response, the Foundation will be collaborating with organizations such as the American Society of Clinical Oncologists to develop hospice education materials for cancer patients and their families.

In every campaign the Foundation undertakes, the goal is to target professionals who help or influence others, training them to become hospice "messengers" and to teach those who need to know more about hospice. With further development and accreditation of our training programs, the Foundation can make an enormous impact on access to quality end-of-life care in this country. We have taken some giant steps in 2003 and are well on our way to success in 2004.

**Naomi Naierman, President and CEO
American Hospice Foundation**

The moral test of a society is how it treats those who are in the dawn of life, those who are in the twilight of life, and those who are in the shadows of life. — Hubert Humphrey

Report from the Board Chair

The year 2003 was a watershed year for the Foundation. We produced new products for key audiences, built important relationships with leading organizations, and met the challenges of a difficult financial environment. We also improved our operations with a new lease on office space and some needed renovations, thereby reducing administrative expenses and giving the Foundation a sense of permanence. The Foundation's low overhead expenses and financial stability position us well for future growth and continued success.



Gerald Holman, MD

To continue this record of progress, the Board's active and able officers were re-elected. We said goodbye to two members whose terms on the board have ended and we welcomed two new Board members. The diligent leadership of Christine Swearingen and Nick McConnell will be missed but their contributions will endure. New member Jim Sims brings fresh perspectives and expertise that are critical to the Foundation's maturity and growth. Jim is a Washington attorney specializing in intellectual property issues. Bob Allnutt, elected to join the board in 2004, has a strong background in marketing, particularly within the pharmaceutical industry.

To all of the friends and supporters of the American Hospice Foundation, I thank you for joining us in promoting hospice as an invaluable resource for dying and grieving Americans of all ages.

Gerald Holman, MD
Chairman of the Board

AHF in Print

In 2003, the Foundation continued to market and distribute an array of informative publications, which are created to open access to hospice care for many who may be unaware of its reach. Sales of the Foundation's print publications continued to grow, with on-line sales increasing by 18 percent. More physicians and nurses used *Talking about Hospice: Tips for Physicians* and *Talking about Hospice: Tips for Nurses* to facilitate difficult conversations with patients, and a growing number of school-based professionals purchased the Foundation's materials about grief in school settings.

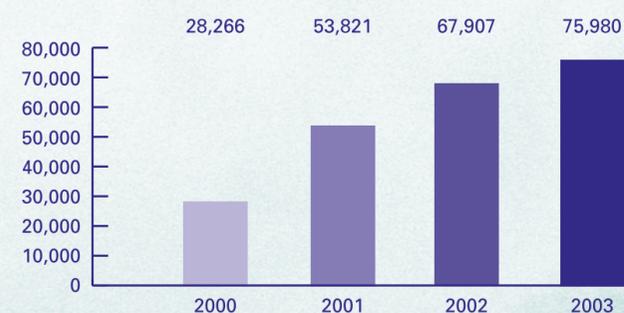
Recognizing the Foundation's impact on dealing with workplace grief, the prestigious *HR Magazine* for human resource professionals interviewed Training Director Helen Fitzgerald. *The Employee Assistance Quarterly*, a journal for employee assistance professionals, favorably reviewed the Foundation's *Grief at Work* materials, which have been purchased by diverse customers such as United Airlines, American Express, AT&T, Duke University and the U.S. Justice Department.

*When mourning gives full expression to grief,
nothing more can be required. — Confucius*

On the Web

Our website, www.americanhospice.org, is a popular resource full of rich materials that are refreshed on a monthly basis. In 2003, the number of visitors to the website reached over 75,000, which is 12 percent more than the previous year, and nearly triple the number since 2000.

Visitors Per Year



Downloadable articles accounted for 42 percent of the site's traffic and are free of charge to the public. Visitors return regularly to view new articles that are added each month. The most popular articles in 2003 were: *Writing a Condolence Note*, *Debunking the Myths of Hospice* and *Helping Yourself Through Grief*.

Griefzone is another popular website attraction, offering focused grief resources for educators, employers, counselors, and healthcare professionals. *Ask Helen* and the *Legal Corner* are new features added in 2003. *Ask Helen* invites visitors to submit questions to the Foundation's respected Training Director, Helen Fitzgerald. This web page enjoyed a satisfying start-up with a 70 percent increase in traffic during the second half of the year. The *Legal Corner* offers information on legal services pertaining to end-of-life care, including a search feature for locating attorneys who specialize in the field. This web page includes links to relevant organizations like the National Academy of Elder Law. *Legal Corner* achieved a 40 percent growth in traffic during the last six months of 2003.

Consumer Advocacy

The American Hospice Foundation is a member of the National Quality Forum (NQF) Consumer Council, alongside AARP and other consumer advocates. NQF is developing quality measures for hospitals and nursing homes. The Foundation is a member of the Consumer-Purchaser Disclosure Project, which advocates for the disclosure of healthcare performance measures to consumers, helping them make informed decisions to get the care they need.

Managed Care

Through the American Hospice Foundation's leadership, case managers and discharge planners can learn about timely and appropriate hospice care for the very sick patients in their charge. To reach a broad audience, the Foundation developed a CD-ROM course on *Coordinating Care at the End of Life: The Role of Hospice*. An exhaustive evaluation phase yielded useful feedback for this first-of-its-kind product. This electronic self-study course offers interactive exercises along with lectures and interviews with hospice leaders, a hospice family caregiver, and a case manager. Hospices can also use this product for on-site workshops — an excellent tool for building productive relationships with managed care organizations.

Training



Helen Fitzgerald

The American Hospice Foundation has become a recognized leader in training educators, mental health professionals, and employers. The Foundation's respected *Grief at School* program trains educators and school-based clinicians to meet the needs of grieving children, demonstrating that hospice is a useful community resource. In 2003, Helen Fitzgerald conducted workshops in communities throughout the country in partnership with local hospices. Most popular were the workshops conducted in Phoenix in collaboration with Hospice of Arizona.

Helen also appeared before the Virginia School Counselors Association (VASCA), and the National Association of School Psychologists (NASP) and its state affiliates in Arizona, Colorado, New York State, New Jersey and Connecticut. With the deployment of troops who are in harm's way, Helen worked at Navy and Marine installations. Workshop evaluations reveal excellent results. When asked if "This workshop will help me work more effectively..." nearly all workshop participants responded affirmatively.

In 2003, the Foundation's *Grief at School* training program became available on CD-ROM in order to reach a broader audience. The course received praise and endorsements from the National Association of School Psychologists (NASP), the American School Counselor Association (ASCA), and the School Social Work Association of America (SSWAA). It was approved for continuing education credits (CEUs) by the certifying boards for school counselors, school social workers, school nurses, and recognized by the Association for Death Education and Counseling (ADEC). Early results from the direct mail marketing campaign are promising. Hospice resources are now more readily available to professionals throughout the country, engendering good will for local hospice programs.

Collaborative Leadership

History was made in early 2003 with the first "Hospice Summit." A longtime goal of this Foundation, the meeting brought together the leaders of four influential national groups: the National Hospice and Palliative Care Organization (NHPCO), the Hospice Foundation of America, the Foundation on End-of-Life Care, and the American Hospice Foundation. With the available pool of philanthropic dollars drastically reduced, it is incumbent upon all of us to collaborate for the good of our shared constituents. Noting changes in the industry, particularly the hospital-based palliative care movement, it was agreed to launch a cooperative strategy to maximize the stewardship of dwindling resources.

The first joint project under this new collaboration is a hospice education campaign targeting AARP members. The first stage will be to pilot-test the program in North Carolina where AARP-sponsored research has shown that only 25 percent of its members are aware of the Medicare Hospice Benefit. Soon after the pilot test results are revealed, work in other states will begin.